



## FINANCIAL AID DEVELOPMENTS

By Kim Slote, policy analyst

### DIRECT LOAN PROGRAM CLOSEOUT

On May 1, 2015, the USDE published an [Electronic Announcement](#): Record Submission Due Date for 2013-2014 Direct Loan Program Year Closeout. The closeout deadline for the 2013-2014 Direct Loan Program Year is Friday, July 31, 2015. All school data must be received and accepted by 8:00 P.M. (ET) on this date to be included in a school's final Ending Cash Balance for the year. Additional information and instructions are provided in the announcement to assist schools in meeting this deadline.

### CITIZENSHIP AND IMMIGRATION STATUS DOCUMENTATION

Dear Colleague Letter [GEN-15-08](#) was published by the USDE May 1, 2015: Citizenship and Immigration Status Documentation. To be eligible for Title IV, HEA student financial assistance, a student must "be a citizen or national of the United States, a permanent resident of the United States, or able to show evidence from the Immigration and Naturalization Service that he/she is in the U.S. for other than a temporary purpose." This DCL explains the process through which an institution can work with a student to provide proof of citizenship or immigration status when they

are unable to appear in person. Topics covered in the DCL include the following:

- Confirmation of Eligible Noncitizen Status
- Confirmation of U.S. Citizenship or U.S. National Status
- Accepting Photocopies or Other Images
- Additional Steps
- Sample Affidavit Attachment

### CAMPUS-BASED PROGRAMS

The USDE published an [Electronic Announcement](#) May 5, 2015: 2013-2014 Federal Perkins Loan Service Cancellation Reimbursement. The USDE will generally reimburse schools for all or part of the principal and interest of a Federal Perkins Loan that is cancelled for eligible service performed by the borrower. This reimbursement is dependent on Congress allocating funds for the program in that award year. While the [Consolidated and Further Continuing Appropriations Act, 2015](#) (Public Law 113-235) allocated funds for Fiscal Year 2015 for the Campus-Based programs, no funds were allocated for the 2013-2014 Federal Perkins Loan service cancellation reimbursements. Therefore, no reimbursement payments will be issued this year. Schools must still offer and apply applicable cancellations to borrowers, even



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though Federal Perkins Loan service cancellations are not funded. Important information and instructions for schools are outlined in this announcement.

An [Electronic Announcement](#) was published by the USDE May 19, 2015: Notification of Campus-Based Funding for the 2015-2016 Award Year. The report that notifies the community of [approved awards for the Federal Work-Study, Federal Supplemental Educational Opportunity Grant and Federal Perkins Loan programs has been posted for the 2015-2016 Award Year](#). States and territories are listed in the report in alphabetical order. For quick access to the state of interest, use the interactive table of contents. Schools that became eligible for awards after the reports were produced will not be reflected in this notification.

### FREE APPLICATION FOR FEDERAL STUDENT AID

The USDE published an [Electronic Announcement](#) May 7, 2015: Overview of May 2015 Enhancements to the FAFSA on the Web Site. Several enhancements to the FAFSA on the Web site were implemented on May 10, 2015. Financial aid administrators and support staff should familiarize themselves with the following changes outlined in the announcement to better assist applicants and their parents.

- New Look to the “Login” Page
- FSA ID Status Information Added to the “My FAFSA” Page
- “Create a Save Key”
- FSA ID Persistence
- Changes Resulting from the Decommissioning of the Federal Student Aid PIN Web Site

Contact Information is provided for the Federal Student Aid Information Center should you have additional questions.

### ISIR ANALYSIS TOOL

On May 12, 2015, the USDE published an [Electronic Announcement](#): 2015-2016 ISIR Analysis Tool Web Application Now Available. The 2015-2016 ISIR Analysis Tool is available on the [FAA Access to CPS Online](#) Web site, through the FAA Main Menu. Schools can use the tool to review and analyze Institutional Student Information Record data to better understand characteristics about their Title IV applicant population and verification process. Enhancements to and functions of the ISIR Analysis Tool are outlined in the announcement, along with instructions for how to access the tool.



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### GAINFUL EMPLOYMENT

A [Federal Register Notice](#) was issued by the USDE May 13, 2015: Comment Request: NCES – Gainful Employment Recent Graduates Employment and Earning Survey Pilot Test. This request is for comments regarding a pilot test of the Recent Graduates Employment and Earnings Survey to be conducted by the National Center for Education Statistics of the USDE. Details on what the data will be used for are explained in the notice. Written comments must be submitted on or before July 13, 2015.

On May 20, 2015, the USDE published an [Electronic Announcement](#): Gainful Employment Electronic Announcement #53 – What is a Gainful Employment Program? The announcement describes how to determine if an educational program is a GE Program. Additional information is available on the [Gainful Employment Information Page](#) on the Information for Financial Aid Professionals website at <http://ifap.ed.gov/ifap/>.

### FORMS

The USDE issued a [Federal Register Notice](#) May 13, 2015: Comment Request: Federal Perkins Loan Program Master Promissory Note. The USDE is requesting comments on

a proposed revision of an existing information collection. Written comments must be submitted on or before July 13, 2015.

### REFERENCE GUIDES

The updated reference guides below were published by the USDE in the month of May. The guides listed are linked with the corresponding electronic announcement with the date of publication.

- [Volume 3 – Calculating Awards & Packaging \[2015-2016 Federal Student Aid Handbook\] – May 14, 2015](#)
- [Volume 6 – The Campus-Based Programs \[2015-2016 Federal Student Aid Handbook\] – May 27, 2015](#)

### INTEREST RATES

An [Electronic Announcement](#) was published by the USDE May 15, 2015: Interest Rates for Direct Loans First Disbursed between July 1, 2015 and June 30, 2016. A table of Direct Loan interest rates for 2015-2016 is included in this announcement, showing the 10-Year Treasury Note Index and Add-On that make up the fixed rates below.

- Direct Subsidized Loans      4.29%



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(Undergraduate)

- Direct Unsubsidized Loans 4.29%  
(Undergraduate)
- Direct Unsubsidized Loans 5.84%  
(Graduate/Professional)
- Direct Plus Loans 6.84%  
(Parent Plus/Grad Plus)

On May 27, 2015, the USDE posted updated [Variable Interest Rates](#): Federal Stafford, Federal PLUS, Federal SLS and Federal Consolidation Interest Rate Calculations for the period July 1, 2015-June 30, 2016. The interest rates for variable-rate loans under the programs listed are determined annually. The 91-day Treasury Bill rates used in calculating the variable interest rates are given in the publication.

### PROGRAM INTEGRITY

A [Federal Register Notice](#) was issued by the USDE May 18, 2015: Program Integrity and Improvement; Proposed Rule. The USDE proposes changes to the cash management, clock-to-credit-hour conversion and repeat coursework regulations. Details on the proposed changes are provided in the notice. Written comments are due on or before July 2, 2015.

### FSA DATA CENTER

The USDE published an [Electronic Announcement](#) May 20, 2015: Federal Student Aid Posts Updated Reports to FSA Data Center. The [FSA Data Center](#) is a centralized online source for Federal Student Aid data. The application, loan, grant and portfolio reports are updated by Federal Student Aid quarterly. The reports recently posted reflect activity as of March 31, 2015. The announcement outlines the reports available, along with several key findings based on those reports.

### ABILITY TO BENEFIT

Dear Colleague Letter [GEN-15-09](#) was published by the USDE May 22, 2015: Title IV Eligibility for Students Without a Valid High School Diploma Who Are Enrolled in Eligible Career Pathway Programs. Changes were made to the Title IV eligibility of students who are not high school graduates by the Consolidated and Further Continuing Appropriations Act of 2015, enacted Dec. 16, 2014. This DCL provides detailed information on the new Ability To Benefit provisions for “eligible career pathway programs”. Topics outlined in the DCL include the following:

- Unchanged Student Eligibility Provisions



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- Statutory Change
- Eligibility of Other Students Without a Valid High School Diploma (Grandfathered Students)
- Eligible Career Pathway Programs
- Approved ATB Tests
- Effect of Timing of ATB Test and Completed Credits on Eligibility for Title IV Aid
- Career Pathway Alternative Pell Grant Disbursement Schedules
- Title IV Eligibility for Students Without a Valid High School Diploma or Its Recognized Equivalent Who Are Eligible Under One of the ATB Alternatives (Chart)
- Unique E-mail Address on FSA ID Account
- Correcting Personally Identifiable Information (PII) on FSA ID Account
- Verifying the FSA ID E-mail Address
- Supported Browsers
- Additional Information for Adding Fsaaid.ed.gov as a Trusted Domain
- No Change to FSA User ID Process for FAAs
- FSA ID Contact Information

### FEDERAL STUDENT AID ID

On May 22, 2015, the USDE published an [Electronic Announcement](#): FSA ID/PIN Replacement – FSA ID Additional Information and Helpful Hints. The new FSA ID login process for the USDE student and borrower-based websites was successfully implemented as of May 10, 2015. To assist the financial aid community in responding to questions, the following reminders and helpful hints are addressed in this announcement.

- Linking a PIN to the FSA ID

### FEDERAL NEED ANALYSIS

A [Federal Register Notice](#) was Issued by the USDE May 27, 2015: Federal Need Analysis Methodology for the 2016-2017 Award Year. The criteria, data elements, calculations and tables the USDE uses in the Federal Need Analysis Methodology, to determine the Expected Family Contribution, has been updated for the 2016-2017 Award Year. These updates are required by statute annually in Section 478 of part F of Title IV of the Higher Education Act of 1965, as amended. In general, the updates are based upon increases in the Consumer Price Index. A description of the changes and charts with the updated figures are provided in the PDF version of the federal register.